# EXHIBIT H

# CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD CENTRAL VALLEY REGION

ORDER NO. 94-213

NPDES NO. CA0078336

WASTE DISCHARGE REQUIREMENTS FOR

Transferred to: BELLAIRE OIL

— NAFTEX HOLDINGS, LTD.CLAFLIN, NEW HOPE, POSO LEASES
POSO CREEK OIL FIELD
KERN COUNTY

The California Regional Water Quality Control Board, Central Valley Region, (hereafter Board) finds that:

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- 1. Naftex Holdings, Ltd. (hereafter Discharger), a California Corporation, submitted a Report of Waste Discharge, dated 21 June 1993, and applied for a permit renewal to discharge treated wastewater under the National Pollutant Discharge Elimination System (NPDES) from oil production from three leases in the Poso Creek Oil Field. The Discharger owns and operates the facility; Petro Pars Limited Partnership owns the mineral rights at all three leases; the U.S. Bureau of Land Management owns the land at the Claflin and Poso leases; and Texaco Producing Incorporated owns the land at the New Hope lease.
- 2. The Discharger operates an oil recovery and wastewater treatment and disposal system (hereafter Facility) that separates produced water from produced oil. Produced water is generated as a part of the oil production operations in the Classin, New Hope, and Poso leases in the Poso Creek Oil Field. The treatment and disposal system is in Sections 10, 11, and 14 of T27S, R27E, MDB&M, as shown on Attachments A and B, parts of this Order. The outfall is in the northwest quarter of Section 14, T27S, R27E, MDB&M, and is to an unnamed ephemeral stream, a water of the United States and a tributary to Poso Creek. The outfall is within the South Valley Floor Hydrologic Unit (No. 558.90), as depicted on interagency hydrologic maps prepared by the Department of Water Resources in August 1986.
- 3. The Report of Waste Discharge includes a description of the oil collection, treatment process, and disposal operations. Attachment B is a process flow diagram of these operations. Initially, emulsions of crude oil and produced water are treated by gravity separation in wash tanks at each lease. Oil floating to the surface of the gravity separators is drawn off to stock tanks for shipment off-site. Chemicals to aid oil water separation are added at the black tank on the Poso lease and into the New Hope wash tank. Wastewater from the New Hope wash tank and the Classin wash tank is combined in the north sump. Wastewater from the Poso lease wash tank flows by gravity to two in-series sumps. Wastewater from the north sump is pumped to the

Daily Average Flow

Daily Maximum Flow

second in-series sump, where it combines with wastewater from the Poso lease. The Discharger states that the three sumps are lined. Wastewater then flows by gravity to the weir tank, where additional oil water separation chemicals are added. Wastewater is retained in the surge tank then treated in the floatation cell tank by air injection. Oil floating to the surface of the in-series sumps and the floatation cell tank is skimmed and stored in a holding tank. This tank is periodically emptied with a vacuum truck. The wastewater is filtered in a tank. Following filtration in the tank, wastewater is filtered with excelsior pads and then discharged through an outfall into an unnamed ephemeral stream. The discharge point and point of compliance are the exit from the outfall.

- 4. The unnamed ephemeral stream flows south through a culvert under Gretline Road and finally to Poso Creek in Section 27, T27S, R27E, MDB&M.
- 5. The Report of Waste Discharge describes the discharge as follows:

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Constituent	Units	Quantity	
Electrical Conductivity @ 25°C	μ mhos/cm	440	
Chlorides	mg/l	54	
Boron	mg/l	0.13	
Oil and Grease	mg/l	9.0	

225,000 gpd

460,000 gpd

- 6. The wastewater discharge combines with treated produced water discharged into the ephemeral stream from as many as four other permitted oil production facilities before draining to Poso Creek.
- 7. Oil recovery and wastewater treatment produce sludge. The Report of Waste Discharge does not include a sludge management plan.
- 8. The U.S. Environmental Protection Agency (EPA) and the Board have classified this discharge as a minor discharge.

- 9. The Board adopted a Water Quality Control Plan for the Tulare Lake Basin (hereafter Basin Plan) which contains water quality objectives for all waters of the Basin. These requirements implement the Basin Plan.
- 10. The beneficial uses of Poso Creek and its tributaries, downstream of the discharge, are agricultural supply, water contact and non-contact water recreation, warm fresh water habitat, wildlife habitat, ground water recharge, and fresh water replenishment.
- 11. The beneficial uses of the underlying ground water are domestic, industrial, and agricultural supply.
- 12. The "Policy Statement of Wastewater Discharge to Watercourses in Water Deficient Areas, Resolution No. 79-45" is a statewide policy applicable to this discharge and is not referenced in the Basin Plan.
- 13. The "Policy With Respect to Water Reclamation in California, Resolution No. 77-1" is applicable to this discharge and is not referenced in the Basin Plan.
- 14. Effluent limitations and toxic and pretreatment effluent standards established pursuant to Sections 301, 302, 303, 304, 306 and 307 of the Clean Water Act (CWA) and amendments thereto, that are applicable to the discharge are specified herein.
- 15. Effluent limitations established pursuant to Title 40, Code of Federal Regulations (CFR), Section 435.50, et seq. (Oil and Gas Extraction Point Source Category, Agricultural and Wildlife Water Use Subcategory), are applicable to the discharge.
- 16. The permitted discharge is consistent with the antidegradation provisions of 40 CFR 131.12 and State Water Resources Control Board Resolution 68-16. This Order provides for no increase in the volume and mass of pollutants discharged. Based on the present findings, the discharge of treated wastewater to an ephemeral stream will not affect the water quality of the underlying aquifer.
- 17. Federal regulations for storm water discharges were promulgated by EPA on 16 November 1990 (40 CFR Parts 122, 123, and 124). The regulations require specific categories of facilities, which discharge storm water associated with industrial activity (storm water), to obtain NPDES permits and to implement Best Available Technology Economically Achievable (BAT) and Best Conventional Pollutant Control Technology (BCT) to reduce or eliminate industrial storm water pollution.

- 18. The State Water Resources Control Board adopted Order No. 91-13-DWQ (General Permit No. CAS000001) specifying waste discharge requirements for discharges of storm water associated with industrial activities, excluding construction activities, and requiring submittal of a Notice of Intent by industries to be covered under the permit. Order No. 91-13-DWQ further specified that if an individual permit is adopted for storm water runoff from a facility, then the General Permit would no longer apply. This individual permit and the provisions it contains concerning storm water relieves the Discharger from seeking coverage under the General Permit.
- 19. The discharge is presently governed by Waste Discharge Requirements Order No. 90-004, adopted by the Board on 26 January 1990, and administratively extended.
- 20. The Report of Waste Discharge indicates that the facility has been upgraded. The improvements were in response to a March 1993 complaint investigation by Board staff. The Discharger reported that historical plant upsets had resulted from failure of the chemical injection system. Bypass of chemical treatment has been eliminated. The Discharger stated that previously when the power failed, chemical injection also shut off. Chemical injection was not simultaneously started up when the power was restarted. Untreated wastewater would discharge to the stream unless the operator noticed and restarted the chemical injection system. This problem has been rectified by installation of sensors at the three chemical injection locations. If the chemical injection pressure is reduced by 10 psi, then the entire plant shuts down and does not restart until the chemical injection system is reset.
- 21. The action to issue an NPDES permit for discharge to an unnamed ephemeral stream that is tributary to Poso Creek is exempt from the provisions of the California Environmental Quality Act (CEQA) (Public Resources Code, Section 21000, et seq.), in accordance with Section 13389 of the California Water Code.
- 22. The Board has notified the Discharger and interested agencies and persons of its intent to prescribe waste discharge requirements for this discharge and has provided them with an opportunity for a public hearing and an opportunity to submit their written views and recommendations.
- 23. The Board, in a public meeting, heard and considered all comments pertaining to the discharge.

4

24. This Order shall serve as an NPDES permit pursuant to Section 402 of the CWA, and amendments thereto, and shall take effect upon the date of hearing, provided EPA has no objections.

IT IS HEREBY ORDERED that Order No. 90-004 is rescinded and that Naftex Holdings, Ltd., its agents, successors and assigns, in order to meet the provisions contained in Division 7 of the California Water Code and regulations adopted thereunder, and the provisions of the Clean Water Act and regulations and guidelines adopted thereunder, shall comply with the following:

## A. Discharge Prohibitions:

- 1. Discharge of treated wastewater at a location or in a manner different from that described in Finding Nos. 2, 3, 4, and 5 is prohibited.
- 2. The by-pass or overflow of wastewater to surface waters is prohibited, except as allowed by Standard Provision A.13.
- 3. Discharge of waste classified as 'hazardous' or 'designated', as defined in Title 23, California Code of Regulations (CCR), Sections 2521(a) and 2522(a), is prohibited.

# B. Effluent Specifications:

1. Effluent discharged to the unnamed ephemeral stream shall not exceed the following limits:

Constituent	<u>Units</u>	Daily <u>Maximum</u>	
Electrical Conductivity @ 25°C	μ mhos/cm	1000	
Chlorides	mg/l	175	
Boron	mg/l	1	
Oil and Grease	mg/l	35	

- 2. The daily maximum discharge shall not exceed 460,000 gallons.
- 3. The discharge shall not have a pH less than 6.5 or greater than 8.3.
- 4. Sumps or other portions of the Facility that have the potential to attract wildlife shall be free of oil coatings or shall be covered or screened to preclude entry of bird and animal life.
- 5. Sumps must be protected from inundation or washout from 100-year floods or properly closed.

## C. Sludge Disposal:

- 1. Collected sludges or other solids removed from liquid wastes shall be disposed of in a manner that is consistent with Title 23, CCR, Section 2510, et. seq. (Chapter 15) and approved by the Executive Officer.
- 2. Any proposed change in sludge disposal practices shall be reported to the Executive Officer and EPA Regional Administrator at least 90 days in advance of the change.
- 3. By 1 February 1995, the Discharger shall submit a sludge management plan estimating the volume of sludge generated by the Facility and specifying the method and location of sludge disposal or reuse.

## D. Receiving Water Limitations:

Receiving Water Limitations are based upon water quality objectives contained in the Basin Plan. As such, they are a required part of this permit.

The discharge shall not cause the following in the unnamed ephemeral stream, including all ponds within the stream:

- 1. Concentrations of dissolved oxygen to fall below 5.0 mg/l.
- 2. Visible crude oil on the stream banks, stream bottoms, or stream surfaces.

- 3. Oils, greases, waxes, or other materials to form a visible film or coating on the water surface or on the stream bottom.
- 4. Oils, greases, waxes, floating material (liquids, solids, foams, and scum) or suspended material to create a nuisance or adversely affect beneficial uses.
- 5. Aesthetically undesirable discoloration.
- 6. Fungi, slimes, or other objectionable growths.
- 7. Turbidity to increase more than 20 percent over background levels.
- 8. The normal ambient pH to fall below 6.5, exceed 8.3, or change by more than 0.3 units.
- 9. Deposition of material that causes nuisance or adversely affects beneficial uses.
- 10. The normal ambient temperature to be altered by 2.8 degrees Celsius (5.0 degrees Fahrenheit).
- 11. Taste or odor-producing substances to impart undesirable tastes or odors to fish flesh or other edible products of aquatic origin to cause nuisance or adversely affect beneficial uses.
- 12. Radionuclides to be present in concentrations that exceed maximum contaminant levels specified in Title 22, CCR; that harm human, plant, animal or aquatic life; or that result in the accumulation of radionuclides in the food web to an extent that presents a hazard to human, plant, animal, or aquatic life.
- 13. Aquatic communities and populations, including vertebrate, invertebrate, and plant species, to be degraded.
- 14. Toxic pollutants to be present in the water column, sediments, or biota in concentrations that adversely affect beneficial uses; that produce detrimental response in human, plant, animal, or aquatic life; or that bioaccumulate in aquatic resources at levels which are harmful to human health.

15. Violation of any applicable water quality standard for receiving waters adopted by the Board or the State Water Resources Control Board pursuant to the CWA and regulations adopted thereunder.

## E. Ground Water Limitations:

The wastewater shall not cause ground water underlying the discharge locations to:

- 1. Contain chemicals, heavy metals, or trace elements in concentrations that adversely affect beneficial uses or exceed maximum contaminant levels specified in Title 22, CCR.
- 2. Contain taste or odor-producing substances in concentrations that cause nuisance or adversely affect beneficial uses.

## F. Provisions:

- 1. The Discharger shall conduct quarterly chronic toxicity testing for a minimum of one year, to uncover any adverse effects of the effluent on a minimum of three species. The species must include a vertebrate, an invertebrate, and a plant. Since the chronic toxicity of the effluent cannot be tested with upstream receiving water, the effluent shall be tested with standard dilution water. The testing shall determine whether the effluent impacts survival, growth, and reproduction of the three species. Where the results indicate unacceptable effluent toxicity, then a toxicity reduction evaluation (TRE) will be required. The TRE is a site-specific study conducted in a stepwise process to narrow the search for effective control measures for effluent toxicity, isolate the sources of the toxicity, evaluate the effectiveness of toxicity control options, and then confirm the reduction in effluent toxicity. The Discharger shall implement chronic toxicity testing by 5 October 1994.
- 2. The Discharger shall evaluate opportunities for reclamation and by 1 February 1995 provide a report to the Board that summarizes the reclamation opportunities evaluated. The report should justify why reclamation is not practical or provide a time schedule for implementing reclamation.

- 3. The Discharger shall comply with "Standard Provisions and Reporting Requirements for Waste Discharge Requirements (NPDES)", dated 1 March 1991, which are part of this Order. This attachment and its individual paragraphs are referred to as "Standard Provision(s)".
- 4. The Discharger shall comply with the attached Monitoring and Reporting Program No. 94-213, which is part of this Order, and any revisions thereto, as ordered by the Executive Officer.

When requested by EPA, the Discharger shall complete and submit Discharge Monitoring Reports. The submittal date shall be no later than the submittal date specified in the Monitoring and Reporting Program for Discharge Monitoring Reports.

- 5. Discharges of storm water must meet all applicable provisions of Section 301 and 402 of the Clean Water Act.
- 6. The Discharger shall develop and implement a Storm Water Pollution Prevention Plan by 1 February 1995.
- 7. This Order expires on 5 October 1999 and the Discharger must file a Report of Waste Discharge in accordance with Title 23, CCR, not later than 5 April 1999, 180 days in advance of the expiration date, in application for renewal of waste discharge requirements, if it wishes to continue the discharge.
- 8. In the event of any change in control or ownership of land or waste discharge facilities presently owned or controlled by the Discharger, the Discharger shall notify the succeeding owner or operator of the existence of this Order by letter, a copy of which shall be immediately forwarded to this office.

To assume operation under this Order, the succeeding owner or operator must apply in writing to the Executive Officer requesting transfer of the Order. The request must contain the requesting entity's full legal name, the State of incorporation if a corporation, the name, address, and telephone number of the persons responsible for contact with the Board, and a statement. The statement shall comply with the signatory paragraph of Standard Provision D.6 and state that the new owner or operator assumes full responsibility for compliance with this Order. Failure to submit the request shall be considered a discharge

without requirements, a violation of the California Water Code and CWA. Transfer shall be approved or disapproved in writing by the Executive Officer.

I, WILLIAM H. CROOKS, Executive Officer, do hereby certify the foregoing is a full, true, and correct copy of an Order adopted by the California Regional Water Quality Control Board, Central Valley Region, on 5 August 1994.

WILLIAM H. CROOKS, Executive Officer

**Attachments** 

LC:lc/fmc 8/5/94

# CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD CENTRAL VALLEY REGION

## MONITORING AND REPORTING PROGRAM NO. 94-213

NPDES NO. CA0078336

# FOR NAFTEX HOLDINGS, LTD. CLAFLIN, NEW HOPE, POSO LEASES POSO CREEK OIL FIELD KERN COUNTY

Specific sample station locations shall be established with concurrence of Board's staff. The Discharger shall submit a description of the stations to the Board by 31 October 1994.

## **EFFLUENT MONITORING**

Effluent samples shall be collected downstream from the last connection through which wastes can be admitted into the outfall. Effluent samples shall be representative of the volume and quantity of the discharge. The time of collection of samples shall be recorded. Effluent monitoring should include at least the following:

Constituent	<u>Units</u>	Type of Sample	Sampling Frequency
Flow rate	mgd .	Estimate	Daily
Electrical Conductivity @25°C	μ mhos/cm	Grab	Monthly
Boron	mg/l	Grab	Monthly
Chlorides	mg/l	Grab	Monthly
Oil and Grease	mg/l	Grab	Monthly
рН	pH units	Grab .	Monthly

If the discharge is intermittent rather than continuous, then on the first day of each such intermittent discharge, the Discharger shall monitor and record data for all of the constituents listed above, after which the frequencies of analysis given in the schedule shall apply for the duration of each such intermittent discharge. In no event shall the Discharger be required to monitor and record data more often than twice the frequencies listed in the schedule.

MONITORING AND REPORTING PROGRAM
NAFTEX HOLDINGS, LTD.
CLAFIN, NEW HOPE, POSO LEASES
POSO CREEK OIL FIELD
KERN COUNTY

If effluent monitoring detects a pollutant at a concentration greater than the daily maximum limit, the Discharger shall resample and reanalyze the discharge immediately after receiving knowledge of the exceedance.

## RECEIVING WATER MONITORING

All receiving water samples shall be grab samples. Receiving water monitoring is not required when the discharge represents the entire flow in the receiving waters. Receiving water monitoring shall include at least the following:

Station	Description			
R-1	_	300 feet upstream from the point of discharge to the unnamed ephemeral stream		
R-2		500 feet downstream from the point of discharge to the unnamed ephemeral stream		
Constituents	<u>Units</u>	Station	Sampling Frequency	
рН	pH units	R-1, R-2	Monthly	
Temperature	°C	R-1, R-2	Monthly	

At all times a log shall be kept of the receiving water conditions throughout the reach bounded by Stations R-1 and R-2. Attention shall be given to the presence or absence of:

- a. Crude oil
- b. Visible films, sheens or coatings
- c. Floating or suspended material
- d. Fungi, slimes, or objectionable growths
- e. Aquatic life
- f. Bottom deposits
- g. Potential nuisance conditions
- h. Discoloration

MONITORING AND REPORTING PROGRAM
NAFTEX HOLDINGS, LTD.
CLAFIN, NEW HOPE, POSO LEASES
POSO CREEK OIL FIELD
KERN COUNTY

Notes on the conditions (items a. through h.) at the ephemeral stream shall be summarized and submitted with all monthly monitoring reports, whether or not the discharge represents the entire flow in the receiving waters.

#### REPORTING

Monitoring results shall be submitted to the Regional Board by the 20th day of the month following sample collection.

In reporting the monitoring data, the Discharger shall arrange the data in tabular form so that the date, the constituents, and the concentrations are readily discernible. The data shall be summarized in such a manner to illustrate clearly whether the discharge complies with waste discharge requirements.

If the Discharger monitors any pollutant at the locations designated herein more frequently than is required by this Order, the results of such monitoring shall be included in the calculation and reporting of the values required in the discharge monitoring report form. Such increased frequency shall be indicated on the discharge monitoring report form.

By 30 January of each year, the Discharger shall submit a written report to the Executive Officer containing the following:

- a. The names and general responsibilities of all persons employed at the wastewater treatment plant (Standard Provision A.5).
- b. The names and telephone numbers of persons to contact regarding the plant for emergency and routine situations.
- c. A statement certifying when monitoring instruments and devices were last calibrated (for purposes of assuring compliance with this Order), including identification of who performed the calibration (Standard Provision C.6).
- d. A statement certifying whether the current operation and maintenance manual, and contingency plan, reflect the facility as currently constructed and operated, and the dates when these documents were last revised and last reviewed for adequacy.

MONITORING AND REPORTING PROGRAM
NAFTEX HOLDINGS, LTD.
CLAFIN, NEW HOPE, POSO LEASES
POSO CREEK OIL FIELD
KERN COUNTY

e. An estimate of the amount of sludge generated and a description of the method and location of sludge disposal or reuse. If more than one method is used, the percentage of sludge disposed of by each method should be listed.

The Discharger may also be requested to submit an annual report to the Board with both tabular and graphical summaries of the monitoring data obtained during the previous year. Any such request shall be made in writing. The report shall discuss the compliance record. If violations have occurred, the report shall also discuss the corrective actions taken and planned to bring the discharge into full compliance with the waste discharge requirements.

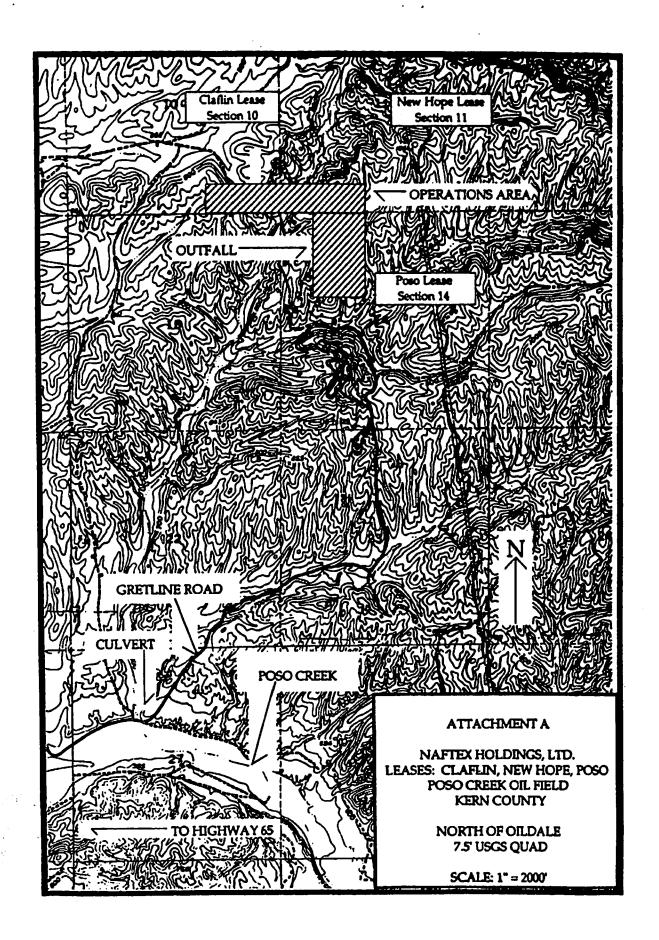
All reports submitted in response to this Order shall comply with the signatory requirements of Standard Provision D.6.

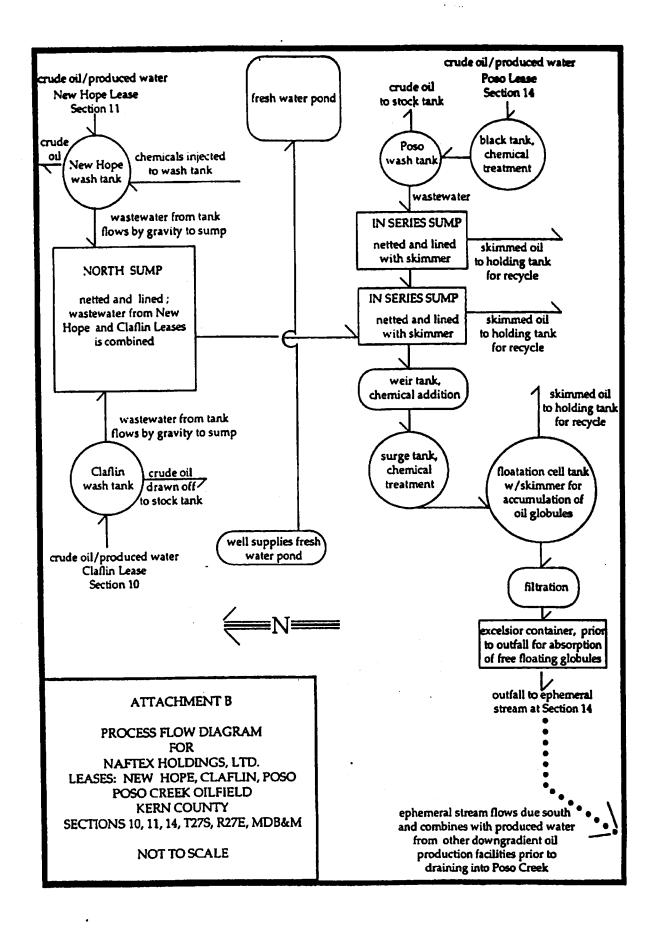
The Discharger shall implement the above monitoring program on the first day of the month following the effective date of this Order.

Ordered by: WILLIAM H. CROOKS, Executive Officer

5 August 1994 (Date)

LC:lc/fmc: 8/5/94





#### INFORMATION SHEET

NAFTEX HOLDINGS, LTD.
CLAFLIN LEASE, NEW HOPE, POSO LEASES
POSO CREEK OIL FIELD
KERN COUNTY

Naftex Holdings, Ltd. owns and operates an oil producing operation in the Poso Creek Oil Field. Petro Pars Limited Partnership owns the mineral rights. Naftex submitted Report of Waste Discharge (RWD) and applied for permit renewal to discharge treated wastewater to Poso Creek and its tributaries under the National Pollutant Discharge Elimination System (NPDES).

Wastewater is discharged to an unnamed ephemeral stream. The outfall is in Section 14, T27S, R27E, MDB&M, as shown on Attachment A. The unnamed ephemeral stream flows through a culvert under Gretline Road, and into Poso Creek in Section 27, T27S, R27E, MDB&M. There are four other oil production facilities that have NPDES permits to discharge treated wastewater to the unnamed ephemeral stream. During a 13 December 1993 inspection by Board staff, Naftex and two other oil producers were discharging. The five oil production facilities may collectively discharge up to 2.5 mgd under individual NPDES permits.

Attachment B depicts a process flowchart of the collection, treatment and disposal operations. The oil wells produce water and crude oil. Each lease is equipped with its own wash tank for gravity separation of crude oil and produced water. Crude oil, which floats to the surface at each wash tank, is mechanically drawn off to stock tanks for shipment off-site. Wastewater from the bottom of each wash tank flows by gravity to sumps. Chemical coagulants are added at different points in the flow process to accelerate oil recovery rates. Air floatation is also used in the flow process to accelerate oil recovery rates. Air is introduced as small bubbles. The bubbles attach themselves to oil droplets. Air bubbles may also attach to suspended particles that are covered with oil. The bubbles, oil droplets, and suspended particles float quickly to the surface. The collection and treatment system is described in more detail in the prescribed Order.

The RWD indicates that the facility has been upgraded. The improvements were in response to a March 1993 complaint investigation by Board staff. Plant upsets resulted when the chemical injection system failed to restart after power failures. When the power failed, chemical injection shut off. Untreated wastewater would discharge to the stream unless the operator noticed and restarted the chemical injection system. This problem has been rectified by installation of sensors at the three chemical injection locations. If the chemical injection pressure is reduced by 10 psi, then the entire plant shuts down and does not restart until the chemical injection system is reset.

NAFTEX HOLDINGS, LTD.
CLAFLIN LEASE, NEW HOPE, POSO LEASES
POSO CREEK OIL FIELD
KERN COUNTY

-2-

Another improvement included installation of an excelsior filled container just prior to the outfall for absorption of free floating oil globules.

A pond supplied by a fresh water, on-site well exists at the treatment facilities. Previously, the well and pond system were utilized for steam generation. Although steam generation is no longer economically feasible, the pond continues to be supplied with fresh water from the well for preservation of fish. The on-site well was sampled during a 13 December 1993 inspection. The water was found to have an electrical conductivity of 237 umhos/cm, and total petroleum hydrocarbons as diesel (unfiltered extract) were not detected.

The electrical conductivity, chlorides, and boron limits in the proposed Order come from the Water Quality Control Plan Report, Tulare Lake Basin 5D (Basin Plan) on page I-5-37 under Discharges to Navigable Waters. On this page the Basin Plan says that discharges to surface waters or to stream channels and areas that may recharge to good quality ground waters shall not exceed an electrical conductivity of  $1000 \mu \text{ mhos/cm}$ , a chloride concentration of 175 mg/l, or a boron concentration of 1.0 mg/l.

The oil and grease limitation is from 40 CFR Part 435 - Oil and Gas Extraction Point Source Category, Agricultural and Wildlife Water Use Subcategory. This section states that produced water discharges shall not exceed 35 mg/l of oil and grease.

This Order requires that the Discharger conduct quarterly chronic toxicity testing for a minimum of one year, to uncover any adverse effects of the effluent on a minimum of three species. The wastewater discharged contains organic chemicals. Chronic toxicity testing is required to determine whether the chemicals in the wastewater are toxic. Results of the toxicity reduction evaluation, if one is required, will then allow Board staff to establish effluent limits for pollutants that cause or have reasonable potential to cause toxicity in the wastewater.

This Order requires that the Discharger evaluate the potential for reclamation. The Basin Plan clearly states that "...discharges to surface waters will not be considered a permanent solution when the potential exists for wastewater reclamation..." It further states that discharges to ephemeral streams or to streams that have limited dilution capacity will not be considered a permanent solution unless it is accomplished in such a manner as to safeguard the public health and prevent nuisances, and the water is of such quality that it benefits stream flow augmentation.

## INFORMATION SHEET - Continued

NAFTEX HOLDINGS, LTD.
CLAFLIN LEASE, NEW HOPE, POSO LEASES
POSO CREEK OIL FIELD
KERN COUNTY

-3-

According to the Basin Plan, oil sumps have been cited as death traps for many birds and small mammals. Therefore, this Order requires that sumps be free of crude oil coatings or covered to preclude entry of bird and animal life.

The action to adopt an NPDES permit for discharge into the unnamed ephemeral stream that is tributary to Poso Creek is exempt from provisions of California Environmental Quality Act (CEQA) (Public Resources Code Section 21000, et seq.), in accordance with Section 13389 of the California Water Code.